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January 12, 2004

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Ms. Marlene Dortch
Federal Communications Commission
445 12th Street, S.W.
Room TW-A325
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re *Erratum to Ex Parte Presentation CS Docket Nos. 98-120, 00-96*

Dear Ms. Dortch

This is an erratum to the above-reference *ex parte* letter filed on November 21, 2003. The original *ex parte* letter referenced an attachment which was not included with the letter. We are including the attachment now.

An original and one copy of this erratum are being filed with the Secretary's Office as required by Section 1.1206(b)(2) of the Commission's Rules. Please contact the undersigned if there are any questions with respect to this erratum.

Very truly yours,

Jonathan D. Blake
Jonathan D. Blake
Attorney for the NBC
Affiliates Association

071



Multicasting Opportunities for NBC Affiliates & NBC Owned Stations

FCC Discussion

November 19, 2003



NBC Affiliates Digital Broadcast Plan – 2004 Launch

2004 DIGITAL BROADCAST SUITE

DTV-1 8.9-15.4 mbps (HD)	DTV-2 2.0-3.5 mbps	DTV-3 2.0-3.5 mbps	DTV-4 0.0-3.5 mbps
 NBC NBC NETWORK AND AFFILIATE PROGRAMMING —	 Affiliate 24/7 Local News LOCAL NEWS — Local News Complement Political , Extended Local Events Coverage	 NBC Weather & Alerts Network LOCAL & NATIONAL INFORMATION Extended Weather Coverage Travel, Traffic Terror, AMBER Alerts	 — LATER STAGE
NBC HDTV IN PRIMETIME			
NBC HDTV IN LATE NIGHT			

NBC Networks + New Local Content = Value-Added Digital Spectrum Use



DTV-3 NBC Weather Network National / Local Balance

	National Content	+	Local Content
Production	<ul style="list-style-type: none">• Produced at NBC News Channel (Network / Affiliate co-owned)		<ul style="list-style-type: none">• Local segments produced by local news team
Brand	<ul style="list-style-type: none">• "NBC Weather Network..."		<ul style="list-style-type: none">• "...brought to you by NBC5."• Local news cross-promo vehicle
Non-Anchored Weather	<ul style="list-style-type: none">• National / regional maps, conditions, forecasts• Key city weather• 50 "weather cam" locations		<ul style="list-style-type: none">• Automated text and radar
Anchored Weather	<ul style="list-style-type: none">• On-air talent ... with carriage		<ul style="list-style-type: none">• Regular local weatherperson reports
Field Reporting, Other	<ul style="list-style-type: none">• Extended News Channel severe weather reporting		<ul style="list-style-type: none">• Extended coverage of local weather emergencies• Other DTV local during primetime bandwidth crunch
Traffic & Alerts	<ul style="list-style-type: none">• Travel advisories, airport closings• Terror alerts		<ul style="list-style-type: none">• Local traffic reports, maps, cams• A.M.B.E.R. alerts

Develop Leading Weather Network with Strong National / Local Balance



Full Digital Carriage in Public Interest

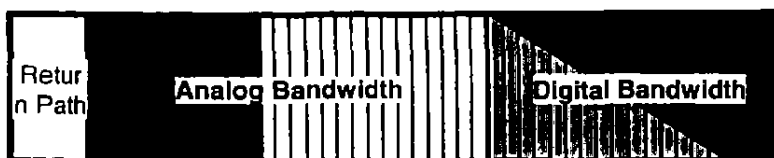
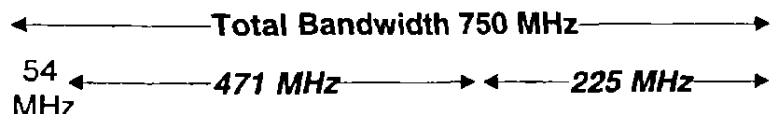
	Direct Consumer Benefits	Other Benefits
More Video Competition	<ul style="list-style-type: none">• Alternative to pay cable• New channel choices• More revenue for free TV programming	<ul style="list-style-type: none">• Business friendly . . . more ad supply• Equitable carriage for smaller broadcasters• More opportunities for programmers
Greater Diversity	<ul style="list-style-type: none">• New over-the-air channels benefit all viewers . . . esp. lower-income• New channels on cable with distribution not controlled by MSO	<ul style="list-style-type: none">• Must-carry needed to launch new free services• Congress, court say carriage key to survival . . . even more true today
Strengthened Localism	<ul style="list-style-type: none">• More channels for local broadcasters, the standard-bearers of localism• Lowers spectrum price-point for start-up / independent local programmers• More ad avails to fund local content	<ul style="list-style-type: none">• Local programming in single common, nationally supported structure
New TV Innovation	<ul style="list-style-type: none">• New data streaming, downloading, and mobile technologies	<ul style="list-style-type: none">• Hundreds of broadcasters (not just a few MSOs) driving innovation
Faster Digital Transition	<ul style="list-style-type: none">• More over-the-air local content will drive consumer adoption of DTV	<ul style="list-style-type: none">• Broadcasters willing to invest in multicast ahead of DTV switchover if promise of future carriage

Wide-ranging Public Interest Benefits Through 19.4 mbps DTV Must-carry



Broadcasters' Presence on Cable Systems

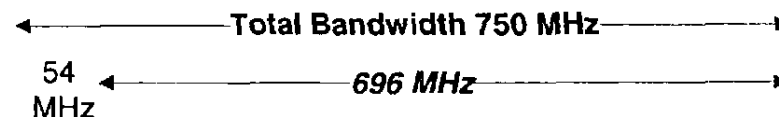
Today: Analog+Digital Cable Systems



Broadcast⁽²⁾

	Broadcast ⁽²⁾	Analog Cable Channels	Digital Channels ⁽³⁾	VOD, Data, Telephony
MHz	138	333	~60	165
% Analog	30%	70%	NA	NA
% Total	18%	44%	8%	22%

Future: All Digital Cable Systems⁽¹⁾



Broadcast

	Broadcast	Digital Channels ⁽³⁾	VOD, Data, Telephony
	SD	HD + Multicast	
MHz	12	69	~350
% Analog	NA	NA	NA
% Total	2%	9%	47%

Note: 73% of cable homes are analog-only today

(1) Some analog capacity likely needed over next few years to service legacy TVs ... bandwidth reserved for analog will decrease over time

(2) NY Example 23 Broadcast stations

(3) % of digital bandwidth used for channels vs. other services will vary

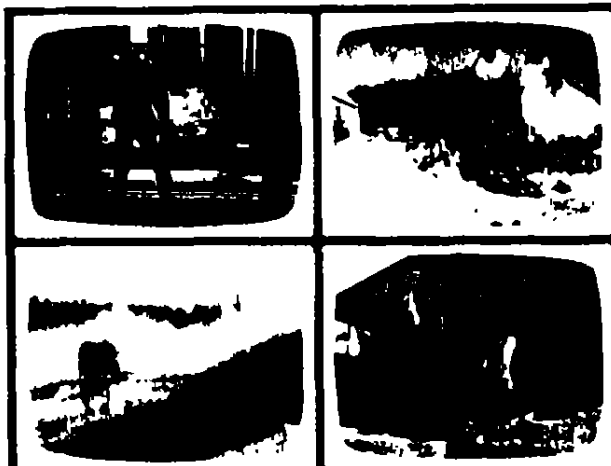
In Digital World, Full HD+Multicast Carriage Would Use 1/2 Cable Bandwidth as in Analog World



Multicast Carriage Key to Future of Free DTV

- **Multicast carriage is necessary to future broadcast viability**
 - 42 stations cancelled local news in a 4-year period ending 2002, and more have cancelled since
 - In 1997, the fourth ranked stations in markets 51-175 averaged profits of \$2.4 million; in 2001, they averaged a loss of \$2.8 million
- **Multicast carriage will safeguard consumers from MSO bottleneck**
- **Public will benefit from more diversity, competition and free, universally accessible, local programming**
- **Future multicast carriage will drive and accelerate transition**
- **Prospect of carriage requirement will induce innovative uses of digital resources by local stations now**

NBC, Affils Forecast DTV Weather Channel



NBC and its affiliates may roll out their multicast weather service in 2004

BY STEVE MCCLELLAN

NBC and its affiliates are developing a mostly local weather service that would be offered as part of a multicast package on their DTV channels.

"I don't think there is a TV station in the affiliate body that would say there is anything more strategic than weather," says Hearst-Argyle Television Executive Vice President Terry Mackin, who chairs the joint futures committee of NBC and its affiliates.

The weather service, which would also include news updates, is one of two projects that

the futures committee has zeroed in on after several months of talks. The other, already a firm go, is a national/local Web site featuring Olympics coverage through 2012 (see page 38).

Last week, the affiliate board sent details of the weather service to all affiliate general managers and station-group heads, soliciting feedback. Replies are due today. Network and board members hope to crunch the results and have a go/no-go decision on the digital service fairly soon.

NBC Chairman Bob Wright mentioned a digital weather/news service in discussing strat-

(Continued on page 38)



NBC's proposed weather service would tap into affiliate resources already in place, like technology, graphics and personnel, to limit costs.

NBC, Affils Ponder Local Weather Service

Continued from page 1
ogy with investors after the announcement of the NBC-Vivendi Universal Entertainment merger last month. He said the NBC digital multicast might also include HDTV, a movie channel and a "sneak peak" channel promoting Universal movies and NBC TV shows.

The Olympic Web site is being funded by the network as part of a recent agreement to extend the network-affiliate "Inventory Management Plan" through the 2012 Olympic games.

According to Roger Ogden, chairman of the NBC affiliate board and president and general manager of Gannett's KUSA-TV Denver, the weather service could be up and running by the middle of next year. It would be jointly owned by the affiliates and the network, he says.

The service would be "locally driven," Mackin says. But it would also receive national inserts from the NBC News Channel, the Charlotte, N.C.-based

news-feed service that is jointly owned by the network and affiliates.

The service's format would be almost the reverse of cable's The Weather Channel, which has a national focus with opportunity

the futures committee about 14 months ago. "Our aim," says Mackin, "is to come up with strategic projects that we can also get our arms around."

Much of the appeal of the weather service is that many of

sends affiliates through its News Channel feed. "It doesn't take a great deal of additional resources to get to the point where they can do more," Mackin points out.

The aim is to create a brand-

doing local weather channels on their own and to what extent stations see the current proposal as one that would mesh or conflict with their own business plans. Mackin doesn't believe that a huge number of stations are doing local weather channels now. "We fully accept that individual stations will have to make decisions based on the strategic importance to their own companies."

At the same time, Ogden adds, the broadcast industry has to get off the dime and start implementing some real-world digital services. "We all realize that the world in which we operate single TV stations in individual markets is going to end, whether the other lines of distribution are duopolies, robust Internet sites with video, smart uses of the digital spectrum or all of the above. Now is the time to act. We all need to operate multiple platforms in our local communities to be survivors over the next decade." ■

'Now is the time to act. We all need to operate multiple platforms in our local communities to be survivors over the next decade.'

ROGER OGDEN, KUSA-TV Denver

for local inserts. Unlike TWC, the NBC service would also feature news and safety alerts.

Weather Channel President Bill Burke says bring it on. "We're confident we have a very strong product. We beat competition all the time, and we compete with [NBC stations] already. We have WeatherScan as a digital all-local product that is in 7 million households and doing extremely well."

NBC and its affiliates formed

the resources are already in place and not a lot of incremental expense would be required, he adds. "It really is a marriage of skills. The affiliates have the technology, graphics and personnel in place so we really are seen as the best local experts in our markets. The channel is going to leverage that expertise."

NBC, in turn, has the capability to produce national elements much like the news items NBC

ed, ad-supported channel that would air on broadcast and have appeal to local cable systems as well as part of digital retransmission negotiations.

Ogden and Mackin confirm that the weather channel could be one of two full-time digital channels that affiliates and NBC jointly operate alongside NBC's HDTV programming.

One thing the affiliate survey is trying to pinpoint is how many NBC stations are already

